FDIC
FEDERAL DEPOSIT INSURANCE CORPORATION

NEWS RELEASE

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FDIC APPROVES ASSUMPTION OF INSURED DEPOSITS OF FIRST AMERICAN CAPITAL BANK, N.A., LAGUNA BEACH, CALIFORNIA

The Board of Directors of the Federal Deposit Insurance Corporation has approved the assumption of the insured deposits of First American Capital Bank, N.A., Laguna Beach, California, by Orange National Bank, Orange, California.

The failed bank's sole office will not reopen, but customers will have access to their accounts at Orange National Bank's office on 401 Glenneyre, Laguna Beach, beginning on Friday, March 5, 1993. The failed bank's depositors automatically will become depositors of the assuming bank.

First American Capital Bank, with total assets of $30.1 million, was closed on Thursday, March 4, 1993, by the Office of the Comptroller of the Currency, and the FDIC was named receiver. At the time the bank closed, its deposits totaled about $26.3 million in 2,100 accounts, including approximately $2.0 million in 35 accounts that exceeded the federal insurance limit of $100,000. The accounts in excess of the insurance limit will not be assumed by Orange National Bank.

The Board of Directors also voted to make a prompt advance payment to unsecured creditors, including uninsured depositors, equal to 62 percent of proven uninsured claims. If actual collections on the failed bank's assets exceed this initial payment, unsecured creditors will receive additional payments on their claim. Unsecured creditors and uninsured depositors should contact FDIC Claims staff at the bank to arrange payment.

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Orange National Bank will pay a premium of $100,000 for the right to receive the failed bank's deposits and will purchase $7.1 million of the failed bank's assets. To facilitate the transaction, the FDIC will advance about $16.8 million to the assuming bank and will retain assets of the failed bank with a book value of about $23.4 million.

The Board of Directors approved the deposit assumption under its authority to do so whenever it determines that such a transaction will reduce the potential loss to the FDIC. Non-depositor creditors and uninsured depositors will share proportionately with the FDIC in the proceeds realized from liquidation of the failed bank's assets.

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